

香港中央結算有限公司
(香港交易及結算所有限公司全資附屬公司)

HONG KONG SECURITIES CLEARING COMPANY LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Kiu Hung International Holdings Limited (Stock Code: 381)
- Proposal of Capital Reorganisation

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Pursuant to the capital reorganisation proposal of Kiu Hung International Holdings Limited ("KIU HUNG INT'L"), every 5 existing shares of HK\$0.01 each ("Existing Share") will be consolidated into 1 consolidated share of HK\$0.05 ("Consolidated Share"). Upon the Share Consolidation become effective, the par value of each Consolidated Share will be reduced from HK\$0.05 to HK\$0.01 ("Adjusted Share") by cancelling the paid-up capital to the extent of HK\$0.04 on each Consolidated Share. Dealings in the Adjusted Shares are expected to commence on 27 June 2022.

For the convenience of CCASS Participants, HKSCC will carry out the conversions of actual holdings, transactions (including Settlement Instruction Transaction ("SI Transaction"), Investor Settlement Instruction Transaction ("ISI Transaction") and Compulsory Stock Borrowing Transaction ("CSB Transaction")) and/or unsettled stock positions (including Continuous Net Settlement Position ("CNS Position") and Isolated Trade Position ("IT Position")) of participants in CCASS to facilitate settlement of both Adjusted and Existing Shares in KIU HUNG INT'L. A stock conversion schedule is attached herewith as per Appendix I.

The aforesaid conversion process would be carried out in the Central Clearing and Settlement System automatically on the scheduled dates. However, for stock positions that remain unsettled between 13 July 2022 and 10 August 2022, the CCASS Participants concerned who need to effect the relevant conversion of their holdings for the purpose of settling their short positions should submit the Parallel Trading Conversion Instruction through CCASS Terminals during the above-mentioned period.

CCASS Participants who wish to deposit shares to or withdraw shares from the CCASS Depository are requested to note the following: -

(A) Deposit Arrangement

1. From 29 June 2022 until 10 August 2022, Existing Share certificates representing shares of HK\$0.01 each (red in colour) will be accepted for deposit under stock code: 2977 (Temp). Effective from 11 August 2022, Existing Share certificates representing shares of HK\$0.01 each will only be accepted for deposit for custody purpose under stock code: 381 (New).

Effective from 12 July 2022, the CCASS Depository will accept deposit of Adjusted Share certificates representing shares of HK\$0.01 each (blue in colour) under stock code: 381 (New).

2. For deposits of both Existing and Adjusted Share certificates of KIU HUNG INT'L under the same stock code, CCASS Participants are requested to use separate Transfer Deeds and Stock Deposit Forms to cover the Existing and Adjusted Share certificates respectively.
3. An example on how to complete the Stock Deposit Form in respect of deposits of Existing Shares is given as per Appendix III.

(B) Withdrawal Arrangement

1. With effect from 29 June 2022 until 13 July 2022, the CCASS Depository will only accept withdrawal of shares under the temporary stock code: 2977. If participants' holdings are recorded under stock code: 381, they should apply in writing to the CCASS Depository to convert their holdings to the temporary stock code: 2977 for the purpose of withdrawal.

Upon acceptance of the withdrawal order, the CCASS Depository will effect delivery of either Existing Share certificates representing shares of HK\$0.01 each or Adjusted Share certificates representing shares of HK\$0.01 each subject to availability of the two types of share certificates.

2. With effect from 14 July 2022, the CCASS Depository will only accept withdrawal of Adjusted Shares under the new stock code: 381. If participants' holdings are recorded under temporary stock code: 2977, they should submit the Parallel Trading Conversion Instruction through CCASS Terminals to convert their holdings to the new stock code: 381 for the purpose of withdrawal.

Detailed schedule for accepting deposits and withdrawals under stock code: 381 or the temporary stock code: 2977 is given as per Appendix II.

Wil Tang
Vice President
Depository and Nominee Services

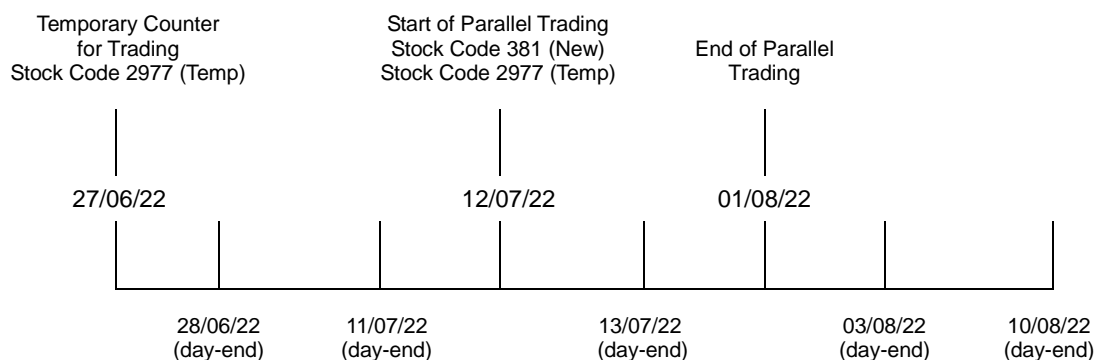
This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.

APPENDIX I

KIU HUNG INTERNATIONAL HOLDINGS LIMITED

Corporate Events

Schedule of Stock Conversion



| Conversion Cycle | 1 st CA | 2 nd CA | 3 rd CA | 4 th CA | 5 th CA |
|------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Stock Conversion | 381 (Old) → 2977 | 381 (Old) → 2977 | 2977 → 381 (New) | 2977 → 381 (New) | 2977 → 381 (New) |
| Holding | Yes | Yes | Yes | Yes | Yes |
| Position | No | Yes (CNS and IT) | No | No | No |
| Transaction | Yes (SI, ISI & CSB) | Yes (SI, ISI & CSB) | Yes (SI, ISI & CSB) | Yes (SI, ISI & CSB) | Yes (SI, ISI & CSB) |
| Conversion Ratio | 5 → 1 | 5 → 1 | 1 → 1 | 1 → 1 | 1 → 1 |

- Note:
- 381 (Old) - Existing Shares of HK\$0.01 each trading in board lots of 10,000 shares
 - 2977 (Temp) - Temporary counter for trading in board lots of 2,000 Adjusted Shares
 - 381 (New) - Adjusted Shares of HK\$0.01 each trading in board lots of 10,000 shares
 - CA - Corporate Action
 - CNS - CNS Position
 - IT - IT Position
 - SI - SI Transaction
 - ISI - ISI Transaction
 - CSB - CSB Transaction

APPENDIX II

KIU HUNG INTERNATIONAL HOLDINGS LIMITED

Schedule for accepting deposit and withdrawal under stock codes 381 or 2977 during the conversion cycle

| Acceptance period for | 27/06/22 to 28/06/22 | 29/06/22 to 11/07/22 | 12/07/22 to 13/07/22 | 14/07/22 to 03/08/22 | 04/08/22 to 10/08/22 | From 11/08/22 Onwards |
|----------------------------------|----------------------------------|----------------------|--|--|--|-----------------------|
| Deposit under stock code 381 | Yes (Existing Share quantity) | No | Yes (Adjusted Share certificate representing shares of HK\$0.01 each) | Yes (Adjusted Share certificate representing shares of HK\$0.01 each) | Yes (Adjusted Share certificate representing shares of HK\$0.01 each) | Yes |
| Deposit under stock code 2977 | No | Yes | Yes | Yes | Yes | No |
| Withdrawal under stock code 381 | Yes | No | No | Yes | Yes | Yes |
| Withdrawal under stock code 2977 | No | Yes | Yes | No | No | No |

APPENDIX III

Example on how to complete a Stock Deposit Form in respect of deposits of Existing Shares of HK\$0.01 each of Kiu Hung International Holdings Limited on and after the effective date of capital reorganisation:

A CCASS Participant presents the following Existing Shares of HK\$0.01 each of Kiu Hung International Holdings Limited to the CCASS Depository for deposit on or after 29 June 2022.

| <u>Certificate Number</u> | <u>Existing Share quantity printed on each certificate</u> | <u>Existing Share quantity (HK\$0.01 each)</u> | <u>Adjusted Share quantity (HK\$0.01 each)</u> |
|---------------------------|--|--|--|
| 1101 - 1102 | 10,000 | 20,000 | 4,000 |
| 1141 | 100,000 | 100,000 | 20,000 |
| 1142 - 1143 | 159 | 318 | 62 # |
| Difference | | | 1 * |
| | TOTAL: | 120,318 | 24,063 |

Each Existing Share certificate of 159 shares of HK\$0.01 each represents 31 Adjusted Shares of HK\$0.01 each, which adds up to 62 Adjusted Shares of HK\$0.01 each.

* The add up total of the Existing Share quantity of 120,318 shares of HK\$0.01 each divided by 5 amounts to 24,063 Adjusted Shares of HK\$0.01 each. The sum of individual certificate ranges added up to 24,062 Adjusted Shares (4,000 + 20,000 + 62). The CCASS Participant is requested to insert the difference of 1 share on the "No. of Shares" column to make up the total Adjusted Share quantity from 24,062 to 24,063 for processing by the CCASS Depository.

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SAMPLE

STOCK DEPOSIT FORM

CCASS Depository Services

| | | | | | | | | | | | | |
|---|---------------------|--|----------------|------------------|---|---|----------------------|---------|--------------|---|---|------------------------|
| Participant ID B99999 | | Name of Participant ABC & CO | | | | | Stock Account Number | | | | | |
| Stock Code #381/2977 | | Stock Name Kiu Hung International Holdings Limited | | | | | For Office Use Only | | | | | |
| Certificate Number <i>(Please group only consecutively numbered certificates with the same share denominations.)</i> | | Number of Shares/Warrants | | Date of Issue | | | | Counter | CCASS Posted | | | |
| Prefix | From | To | | D | D | M | M | | Y | Y | Y | Y |
| | 1 1 0 1 | 1 1 0 2 | 4 0 0 0 | | | | | | | | | Checked By |
| | 1 1 4 1 | | 2 0 0 0 0 | | | | | | | | | Certificate Processing |
| | 1 1 4 2 | 1 1 4 3 | 6 2 | | | | | | | | | Certificates Checked |
| | * DIFFERENCE | | 1 | | | | | | | | | Certificates Posted |
| | | | | | | | | | | | | Transfer |
| | | | | | | | | | | | | T/D Prepared By |
| | | | | | | | | | | | | Checked By |
| | | | | | | | | | | | | Vault |
| | | | | | | | | | | | | Filed By |
| | | | Total ▶ | 2 4 0 6 3 | | | | | | | | |
| Remarks | | | | | <p><i>NOTES:</i></p> <p>1. Pursuant to the CCASS Rules and Operational Procedures, Hong Kong Securities Clearing Company Limited (HKSCC) reserves the right to reject a deposit and/or reverse deposit entries if the above required information is incomplete or incorrect, or if registration of any or all of the shares are subsequently rejected by the relevant share registrar(s).</p> <p>2. Activities under CCASS are subject to the CCASS Rules and Operational Procedures in effect.</p> | | | | | | | |
| <p>The above printed validation represents descriptions of stock as presented by the CCASS participant under this form and shall in no event constitute or be treated as an official Receipt for deposit of said stock.</p> | | | | | | | | | | | | |

Authorised Signature of CCASS Participant (with Company Chop)

| | |
|--|----------------|
| To be completed if stock deposited in batch <i>(i.e. stock deposited with more than one deposit form)</i> | |
| Total No. of Share in Batch | Deposit Form: |
| | |
| | _____ of _____ |

#Note: Existing Share certificate representing shares of HK\$0.01 each will only be accepted for deposit for custody purpose under stock code: 381 (New) with effect from 11 August 2022.